



Peoples State Bank

5399 MAIN STREET - P.O. BOX 100
GRANT, ALABAMA 35747
TELEPHONE (256) 728-4213
FAX (256) 728-2777

Dorrell D. Proiman
CHRIS CLARK
Vice President

9/15/05

Federal Deposit Insurance Corporation
San Francisco, Regional Office
Director John F. Carter
25 Jessie Street at Ecker Square
Suite 2300
San Francisco, California 94105

2005 SEP 19 AM 10 42

Dear Director Carter:

On behalf of myself, our bank, and the board of directors, I strongly, urge you to reject the application by Wal-Mart Stores, Inc. to charter an industrial Loan Company bank in Utah. The barrier between Banking and Commerce has played an integral part in the safety and soundness of the banking system and in maintaining a healthy U.S. economy. This barrier has been reinforced by Congress representing the American people.

In this fast moving age we are living in, with the ups and downs of our economy, it is important that Community Bankers stay closely attuned to current and emerging risk issues. Statistics show the typical community bank needs to spend 3 to 5 cents more than its large-bank counter part to generate one dollar of operating revenue. That difference is material.

Allowing a commercial or financial firm to operate a full-service nationwide FDIC insured bank, outside the framework established by Congress for the other owners of insured banks raises significant safety and soundness concerns, creates an un-level competitive playing field and poses important questions to the Congress concerning the Nations policy of maintaining the separation of Banking and Commerce.

Because of Industrial banks more-open ownership policy, Wal-Mart Stores Inc, the so-called category killer because it tends to crush competition, has tried to get into the banking business by buying an ILC. The future of the community banking industry could be at stake. The systemic risk posed by a Wal-Mart bank would be enormous. With a branch of Wal-Mart Bank in every store, small bankers plead with Congress to spare them the fate of mom-and pop hardware and variety stores, which were strangled by Wal-Mart.

In 1999 Congress ended Wal-Mart's attempt to buy a unitary thrift in Oklahoma by prohibiting commercial companies from owning such a firm. In 2002 the California

legislators blocked Wal-Mart's acquisition of a state bank by enacting a law preventing non financial firms from buying I.L.C's. Recently that states legislature has turned Wal-Mart down again.

Giant banks have enormous public policy implications. The trillion dollar bank that eventually could result from this charter will be Too big to fail and will pose a systemic risk to the F.D.I.C. Insurance Fund. Evidence shows that increased concentration in the banking industry has not benefited bank customers and has not had a positive effect on the convenience and needs of the communities served by the acquired banks.

Thank you for the opportunity to comment. Hopefully you will prayerfully consider this application and follow the path of maintaining a strong barrier between banking and commerce, keeping a strong community banking complex to serve Main Street Americas financial needs.

Sincerely,

A handwritten signature in black ink, appearing to read "Chris Clark". The signature is fluid and cursive, with the first name "Chris" and last name "Clark" clearly distinguishable.

Christopher Clark
Executive Vice President